

Senate Bill No. 101

CHAPTER 63

An act to amend Section 18897.47 of, and to repeal and amend Section 18897.27 of, the Business and Professions Code, relating to professions and vocations.

[Approved by Governor July 7, 2011. Filed with Secretary
of State July 8, 2011.]

LEGISLATIVE COUNSEL'S DIGEST

SB 101, Corbett. Athlete agents: conflicts of interest.

Existing law, the Miller-Ayala Athlete Agents Act, the violation of which is a crime, regulates specified activities of an athlete agent in representing or seeking to represent student athletes and professional athletes. Under this act, an agent is prohibited from having an ownership or financial interest in any entity that is directly involved in the same sport as a person the agent represents, as specified.

This bill would instead prohibit an athlete agent from having an ownership or financial interest in an entity that directly employs athletes in the same sport as a person the agent represents, as specified.

Existing law prohibits an athlete agent from dividing fees with or receiving compensation from a professional sports league, team, or other organization or its representatives or employees.

This bill would limit the prohibition on an athlete agent dividing fees or receiving compensation to fees or compensation directly related to on-field activities of athletes or other representation of the league, team, or organization directly related to athlete employment.

This bill would repeal an obsolete provision.

The people of the State of California do enact as follows:

SECTION 1. Section 18897.27 of the Business and Professions Code, as added by Section 2 of Chapter 857 of the Statutes of 1996, is repealed.

SEC. 2. Section 18897.27 of the Business and Professions Code, as added by Section 2 of Chapter 858 of the Statutes of 1996, is amended to read:

18897.27. No athlete agent shall have an ownership or financial interest in any entity that directly employs athletes in the same sport as a person with whom the athlete agent has entered into an agent contract, or for whom the athlete agent is attempting to negotiate an endorsement contract, financial services contract, or professional sports service contract, or for whom the

athlete agent provides advice concerning potential or actual employment as a professional athlete.

SEC. 3. Section 18897.47 of the Business and Professions Code is amended to read:

18897.47. No athlete agent shall divide fees with or receive compensation from a professional sports league, team, or other organization or its representatives or employees, if the fees or compensation are directly related to on-field activities of athletes or other representation of the league, team, or organization as it directly relates to the employment of athletes. In addition, no athlete agent shall offer or allow any full-time employee of a union or players' association connected with professional sports to own or participate in any of the revenues of the athlete agent.